

EXHIBIT H

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

IN RE: Chapter 11
Case No. 25-10006 (TMH)
LIGADO NETWORKS LLC, (Joint Administration Requested)
et al.,
Debtors. Courtroom No. 4
824 Market Street
Wilmington, Delaware 19801
Tuesday, January 7, 2025
2:00 p.m.

TRANSCRIPT OF HYBRID ZOOM HEARING
BEFORE THE HONORABLE THOMAS M. HORAN
UNITED STATES BANKRUPTCY JUDGE

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1 (Proceedings commenced at 2:00 p.m.)

2 THE CLERK: All rise.

3 THE COURT: Good afternoon, please be seated.

4 Mr. Merchant, great to see you. Happy new year.

5 MR. MERCHANT: Good to see you, Your Honor. Good
6 afternoon.

7 THE COURT: Okay. Well, go ahead, please,
8 Mr. Merchant. Sorry for --

9 MR. MERCHANT: Sure.

10 For the record, Michael Merchant of Richards,
11 Layton & Finger, on behalf of the Ligado debtors.

12 Your Honor, we are co-counsel to the debtors.

13 Thank you to your new chambers for accommodating
14 all of our requests, particularly on a day when the court was
15 closed and scheduling this first day hearing.

16 My co-counsel are on Zoom today, and I already see
17 Mr. Leblanc. He'll be providing the Court with an
18 introduction, so I'll cede the podium to him at this point.

19 THE COURT: Thank you, Mr. Merchant.

20 MR. MERCHANT: Thank you.

21 THE COURT: Mr. Leblanc, welcome.

22 MR. LEBLANC: Thank you, Your Honor.

23 Andrew Leblanc of Milbank.

24 Your Honor, can you hear me?

25 THE COURT: I can.

1 MR. LEBLANC: And can you see me okay?

2 THE COURT: I sure can.

3 MR. LEBLANC: It's always an adventure getting set
4 up for these Zoom hearings, Your Honor. Every court is a
5 little different. Every Zoom is a little different. But, as
6 long as Your Honor can hear me, then I will proceed.

7 Your Honor, we are counsel, we at Milbank, are
8 counsel, proposed counsel to the debtors in this case, Ligado
9 Networks LLC and its various affiliates. Let me echo
10 Mr. Merchant's thanks to the Court, your staff, and chambers
11 for accommodating us on this hearing, on the first day
12 hearing. Your Honor's chambers have been very, very
13 accommodating to us, particularly, when I know that the
14 entire Mid-Atlantic region is dealing with a massive
15 snowstorm. I know, for example, my kids have been home the
16 last two days, and so we very much appreciate the Court
17 accommodating us and, in particular, allowing us to appear at
18 a hybrid hearing here, via Zoom. So thank you, Your Honor.

19 THE COURT: My pleasure.

20 MR. LEBLANC: I'd also like to extend our thanks,
21 on behalf of my team, to the Office of the United States
22 Trustee. They have worked tirelessly with us, Your Honor.
23 We've coordinated closely with them, up leading into the
24 filing, and even since then, they've provided us comments on
25 our first day pleadings and subsequent to the filing of

1 those, even comments on motions.

2 And I think -- we are hopeful today, Your Honor,
3 that we'll have a hearing that will be without controversy,
4 in large part, because of the efforts that they and the
5 stakeholders in this case put in to bring us to this hearing.

6 If it's okay with the Court, what I'd like to do,
7 Your Honor, is just do an introduction to the Court of the
8 debtors. We have a slide deck and we'll go through, probably
9 spend 20 minutes to 30 minutes introducing the Court to these
10 debtors and the path forward, and then we'll turn to the
11 motions and seek relief. And for that, Your Honor, I'll
12 turn -- I'll be ceding the podium to a number of my
13 colleagues here in our conference room with us.

14 THE COURT: Okay.

15 MR. LEBLANC: Is that -- is Your Honor okay with
16 us proceeding that way?

17 THE COURT: Yes, I am.

18 MR. LEBLANC: Thank you, Your Honor.

19 I'm going to ask my colleague Dani Lee Sauer to
20 share a presentation that we have.

21 MR. MERCHANT: Would Your Honor like a hard copy?

22 THE COURT: I've got it on screen.

23 Thank you, Mr. Merchant. I appreciate it.

24 MR. LEBLANC: And, Your Honor, before we get into
25 this, let me just -- as Your Honor, no doubt, has seen, we

1 filed this case with a restructuring support agreement that
2 is supported by an overwhelming percentage of Ligado's
3 existing stakeholders, holding approximately 88 percent of
4 Ligado's funded debt. The RSA has really two key elements.
5 The first is the restructuring. There's a balance sheet
6 restructuring of the capital structure that, as we come over
7 levered in light of circumstances that I'll describe in a
8 moment, and the restructuring support agreement contemplates
9 a deleveraging of the company by over \$7.8 billion with what
10 is really quite extraordinary, the agreement by those lenders
11 to keep in place the existing waterfall; meaning, all of the
12 preferred equity, all of the common stock will stay in place
13 and will be entitled to recover, consistent with the
14 waterfall that has been in existence since Ligado's last
15 bankruptcy in 2015 and I'll talk about in a moment. So the
16 preferred and the common equity will retain their place in
17 the capital structure.

18 The second component of the RSA, and this is as
19 critical, if not more critical than the first, Your Honor, is
20 that we are very pleased to be here with a commercial
21 agreement with AST SpaceMobile, who's also a party to the
22 RSA. AST SpaceMobile is a counterparty that we will engage
23 with, Your Honor, that will give usage rights to Ligado
24 spectrum to use on their existing and to-be-built satellite
25 network. And in doing so, Your Honor, we are making the best

1 of a difficult situation and using the mobile satellite
2 services component of Ligado's vast spectrum network to
3 monetize and commercialize that for the first time ever. And
4 when I say, "the first time ever," to be clear, the first
5 time at the scale that we're doing it. And I'll talk more
6 about that in a moment.

7 So, let me just turn, Your Honor, to the slide
8 deck. So let me first begin by introducing you to the
9 company, Your Honor.

10 If we could turn to Slide 2.

11 So, Your Honor, this is what I'll go through. I'm
12 going to go through a company overview, talk about the
13 company and its capital structure, the events leading to the
14 Chapter 11 filing, and then what is our path forward. But
15 before I even talk about the company overview, Your Honor,
16 just two other quick points that I'm going to come back to,
17 just to explain what causes us to be before the Court today.

18 First, and I mentioned we're making the best of a
19 difficult situation, a year ago, Your Honor, the company
20 commenced litigation against the United States Government for
21 the unlawful taking of Ligado's terrestrial component of its
22 spectrum assets. That suit was commenced in the Court of
23 Federal Claims and it is seeking damages in the amount of \$39
24 billion, Your Honor, which that is our estimate of the value
25 of the terrestrial spectrum assets that have been taken by

1 the Government in a secret program.

2 The Government had filed a motion to dismiss back
3 in January of 2024, but in November of 2024, the Court of
4 Federal Claims substantially denied that motion. It granted
5 only one small part of that, but preserved the overwhelming
6 majority of most of our claims. I'll talk about that case in
7 a little bit, again, Your Honor, I'll return to that.

8 But most importantly, you know, Your Honor, we are
9 not asking this Court to do anything with respect to that
10 litigation; in fact, one of the key elements of our
11 bankruptcy is to make sure that we do nothing to interfere
12 with the continuation of that litigation in the Court of
13 Federal Claims. But that -- the Government's decision to
14 effectively squat on our spectrum and to use the spectrum
15 assets that we have been authorized by the FCC to use since
16 2022 is one of the precipitating events to the reasons that
17 we are here.

18 The second driving force, Your Honor, to our
19 filing is our relationship with Inmarsat and their actions
20 leading up to this filing and what we believe to be a breach
21 of the cooperation agreement between us. Inmarsat --
22 throughout the day, Your Honor, I might refer to Inmarsat and
23 I may refer to Viasat. Those are one in the same because
24 they merged, those two companies merged together in late 2023
25 and so we've been most recently dealing with Viasat, but the

1 contracts that we have in place, the cooperation agreement
2 itself is actually with Inmarsat and that is a 2007 vintage
3 contract.

4 Pursuant to that contract, the parties agreed to
5 coordinate their use of the L-band spectrum, which is the
6 spectrum assets that we control today. Each of them were
7 assigned separate parts of that spectrum, but the
8 coordination agreement provides that Ligado could use the
9 vast majority of that. And in return, Ligado has paid to
10 Inmarsat, and now Viasat, enormous amounts of money over the
11 course of that contract. We've paid, to date, over \$1.7
12 billion to Viasat or Inmarsat.

13 And in our view, Your Honor, Viasat has not kept
14 up its end of the bargain. And, Your Honor, we filed a
15 complaint just a short time ago. Nothing to be done in
16 today's hearing with respect to that.

17 Our co-counsel at Mayer Brown, representing
18 Ligado, filed that complaint. That complaint was filed under
19 seal. We'll work through the process with that, Your Honor.
20 But I'm going to not speak more about that issue now because
21 that'll be, obviously, an issue for another day.

22 But what's relevant for today and the
23 precipitating event here, Your Honor, as to what brings us to
24 this filing is we do have outstanding payments under that
25 coordination agreement that are due to Inmarsat or Viasat and

1 those are coming due. We've negotiated for the last 18
2 months with Viasat in the hopes of reaching a commercial
3 transaction. That proved unsuccessful when a tax issue came
4 up several months ago that was unexpected and unanticipated
5 by us and that really threw the entire negotiations that
6 we've been engaged in for more than a year, up in the air.

7 And so we rushed to get the next best alternative
8 and we are very pleased to have found the transaction that we
9 have before the Court today with AST, which we think is our
10 best effort to maximize value in light of both, the
11 Government's actions and Viasat's actions.

12 So, Your Honor, that's what led us here today, but
13 let me now go backwards and just introduce you to the
14 company.

15 So if we could turn to the next slide?

16 Your Honor, on the screen is the photos of the
17 executive team at Ligado and its board of managers and I just
18 want to highlight a couple of things. As I mentioned, Your
19 Honor, Ligado went through a bankruptcy in the Southern
20 District of New York in 2000 -- they filed in 2012 and
21 emerged in 2015 before Judge Shelley Chapman in the Southern
22 District of New York.

23 Many of the people that you see on the screen and
24 the executive team, Your Honor, were people who were there at
25 that time. Doug Smith is the CEO of the company; legacy,

1 long-term telecommunications expert; worked at Nextel; and
2 has been at the helm of Ligado since just before that
3 bankruptcy filing in 2012. I was very honored to put
4 Mr. Smith on the stand in the bankruptcy case in front of
5 Judge Chapman and I'll be honored to do so, again, here
6 today. Mr. Smith is also our first day declarant.

7 Eric Harrington is the company's chief financial
8 officer. He was also the company's treasurer back in 2015
9 when the company went through that bankruptcy.

10 Scott Wiener has been leading the charge on our
11 commercial negotiations with AST, with Viasat.

12 Sachin Chhibber, Your Honor -- and that is not a
13 typo in his name; there are two Hs -- C-h-h-i-b-b-e-r, he's
14 the company's chief technical officer.

15 And Ms. Vicky McPherson is the company's general
16 counsel.

17 And, Your Honor, I believe all those people are on
18 the line. I won't have them come on the screen. But Your
19 Honor is going to hear from Mr. Smith. You'll at least be
20 asked to accept his declaration in a few minutes, and I trust
21 Your Honor has had an opportunity to at least peruse his very
22 lengthy first day declaration.

23 Your Honor, before I leave this page, I did want
24 to mention the board of managers. So, we're an LLC, so it's
25 a board of managers, but this is a world-class board of

1 directors for this company. These are some of the leading
2 lights in the telecommunications industry. Your Honor can
3 see, just by the descriptions. The chairman of the company
4 is the former chairman of Verizon Communications. The former
5 vice chairman of Verizon Communications is also a member of
6 our board. We have two military flag officers, including one
7 of whom was the former administrator of NASA. We have a
8 former chairman of the Federal Communications Commission.
9 This is a world-class board that's been operating this
10 company since the last bankruptcy, since 2015, and leading it
11 to where we sit today.

12 If we turn the page, Your Honor, just quickly,
13 Your Honor has already met Richards Layton, who's our co-
14 counsel in the case, Mr. Collins and Mr. Merchant are there
15 in the courtroom with you. Milbank is the company's counsel
16 with respect to the bankruptcy. There are also other
17 counsel. I mentioned Mayer Brown, as well as a number of
18 lawyers who are working on the litigation against the
19 Government.

20 In addition, Your Honor, Perella Weinberg Partners
21 is the company's investment banker. Bruce Mendelsohn is the
22 company's declarant, with respect to the DIP, and Your Honor
23 will see him a little bit later in my presentation. FTI is
24 our financial advisor and Omni is aware claims and noticing
25 agent, and Your Honor will be asked to consider a motion,

1 with respect to their retention later in today's hearing.

2 If we turn the page, Your Honor, and I'll try to
3 be brief with this, Your Honor. Going through the history of
4 this company, you could do so in many, many hours, but let me
5 try to be relatively brief with this, Your Honor.

6 As I mentioned a moment ago, the company emerged
7 from bankruptcy in 2015 with a plan to deploy a next-
8 generation satellite services business, coupled with a
9 terrestrial wireless solution. That was intended to capture
10 a market that was growing for wireless communication
11 services.

12 Everything we predicted about the addressable
13 market at that time turned out to be more than true, Your
14 Honor. Ligado's spectrum is in prime position to capitalize
15 on the terrestrial use of spectrum.

16 When I say, "terrestrial," Your Honor, that is,
17 you know, the cell phones that we use communicate on a
18 terrestrial-spectrum basis. They communicate from your cell
19 phone to a cell tower and that's the terrestrial use of the
20 spectrum.

21 Ligado's spectrum has always been authorized for
22 MSS, mobile satellite services. So that is communicating
23 from a device or a base station on the ground to a satellite
24 that's flying up in the air. But Ligado was unique in that
25 starting in 2004, it applied for and was granted for the

1 authorization to use its mobile satellite spectrum in
2 connection with an ancillary terrestrial component, or "ATC,"
3 which I may refer to throughout the day.

4 It was authorized to use the spectrum in that way,
5 so it was primed coming out of the last bankruptcy, to
6 exploit the boom in the use of spectrum. So we expected at
7 the time of the last bankruptcy that we were going to be the
8 market leader in deploying on 5G. And, Your Honor, there's a
9 particular set of attributes with respect to the Ligado
10 spectrum that make that quite attractive, and I'll talk about
11 that in a moment.

12 What happened, Your Honor, is we had a number of
13 technical issues. When we emerged from bankruptcy in 2015,
14 there were a number of technical issues that we had to
15 address because lids spectrum sits close to the GPS spectrum.
16 And so from 2015 to 2020, the company went through a tireless
17 effort with the FCC to answer all concerns with respect to
18 its spectrum use on a terrestrial basis and, ultimately,
19 in 2020, the FCC granted on a unanimous basis, the ATC
20 license for Ligado to use its spectrum on a terrestrial
21 basis.

22 Your Honor, we achieved something in 2020. Ligado
23 achieved something in 2020 that is virtually unheard of. In
24 connection with that granting of the ATC license, we were
25 actually able to restructuring our entire balance sheet, and

1 Your Honor is going to see that balance sheet in a moment, on
2 an out-of-court basis. We obtained consent from 100 percent
3 of our secured creditors, 100 percent of our preferred
4 equity, and 100 percent of our common equity in reaching a
5 restructuring, without ever having to file for bankruptcy
6 in 2020.

7 And the reason for that was clear. Ligado, at
8 that time, was off to the races, because we had this
9 terrestrial authorization and we were in the process of and
10 at the point where we were going to go and exploit that and
11 make that -- utilize something that, again, Your Honor, as I
12 mentioned at the outset, we believe is worth close to \$40
13 billion, this spectrum. And when we say, "close to \$40
14 billion," that's just by comparing it to similar spectrum,
15 which, as I said a moment ago, in many respects, this is even
16 better than that.

17 After 2020, Your Honor, we became aware of --
18 there were some continued concerns. There were requests for
19 reconsideration at the FCC, but ultimately, we became aware
20 that the Government was using -- and when I say, "the
21 Government," in particular, the Department of Defense, was
22 using our spectrum, the terrestrial component of our spectrum
23 in a way that was never disclosed, that they never raised,
24 and they continue even to this day, as a classified system.

25 When we learned of that, Your Honor, there was a

1 number of efforts made to try to resolve those issues through
2 negotiations, through lobbying. Ultimately, we were unable
3 to do that and after spending, literally, years, and,
4 literally, billions of dollars to put ourselves in a position
5 to exploit our -- to monetize and commercialize our
6 terrestrial spectrum, we were forced to sue the U.S.
7 Government for the takings that I just described.

8 So on October 12th of 2023, Ligado commenced the
9 lawsuit that I described earlier. As I mentioned, that
10 lawsuit is still in its relative infancy. The Government's
11 answer is now due on February 3rd because the Government
12 moved to dismiss and as I said, that motion to dismiss was
13 substantially denied. That was a significant win for Ligado.

14 And as I said, and I'll continue to repeat it,
15 because it's one of the most important things here, nothing
16 in this bankruptcy is designed to interrupt with, interfere,
17 slow down, delay, even by a minute, the progress of that
18 government litigation. We want that to continue in the Court
19 of Federal Claims and that's what we absolutely intend to do.

20 Now, Your Honor, just to give Your Honor a sense,
21 if we turn to the next slide, Your Honor, this is the
22 company's spectrum now. The items in blue are the
23 company's -- the spectrum that the company controls pursuant
24 to its coordination agreement, most of which is controlled by
25 Ligado, some of which comes through the coordination

1 agreement. But this is all of the spectrum that Ligado has
2 usage rights over.

3 And there's a significant portion, 30 megahertz of
4 this, leaving aside the lower-bottom, right-corner box that
5 I'll describe in a second, 30 megahertz of this has been
6 authorized by the FCC for ATC use. This is the subject of
7 the Government litigation. This is the portion that we are
8 trying desperately to use and we're suing the Government for
9 taking it from us.

10 Now, Your Honor, I used an analogy with Judge
11 Chapman 10 years ago, now, when we were in the confirmation
12 hearing, because it's hard to think about spectrum in a way
13 and how valuable it is, but what I can tell the Court, and I
14 know Judge Chapman, I think, found this useful and agreed
15 with it at the time, what Ligado has, Your Honor, is,
16 effectively, among the most ideal beachfront property in the
17 world. Ligado has a 30 megahertz continuous block, uplink
18 and downlink of spectrum that it can use on a nationwide
19 basis. And it is in a part of the spectrum band that is
20 ideal for telephony, for telecommunication services.

21 And that's because, Your Honor, it sits at
22 about 1.5 megahertz and that spectrum at that frequency
23 propagates extraordinarily well. It's not too short, so I
24 can go very far. It can spread very far; you don't need as
25 many towers. And it's not too long, such that it can't

1 penetrate into buildings. It's kind of at the ideal space on
2 the spectrum map. It is the premier beachfront property for
3 these purposes. That's why the company is so valuable and
4 why its assets are so valuable.

5 What we engaged in, Your Honor, when we emerged
6 from bankruptcy in 2015 to 2020, the closest analogy I could
7 come up with is we essentially had a zoning dispute and we
8 had to go through the process and deal with the Zoning Board.
9 In this example, in this analogy, our Zoning Board is the
10 FCC. We needed to get authorization from the FCC to use it
11 on a terrestrial basis and to deal with all the people who
12 were objecting that the road was too close to the beach or
13 that there'd be too much traffic and too many cars going down
14 the road.

15 We dealt with all those issues and ultimately got
16 the Zoning Board, the FCC in our case, to authorize us to use
17 that spectrum on an ATC basis in a unanimous decision. That
18 license authorization has not changed. It's not been abated.
19 It's not been suspended. It continues in existence today.

20 But, Your Honor, the Government actions, what
21 those constitute is we learned after getting that zoning
22 approval in 2020 that the Government was doing some
23 confidential, classified, clandestine program on our land and
24 wouldn't let us build the world-class resort that we were
25 authorized by our Zoning Board to do. And, Your Honor,

1 that's what that litigation is about.

2 We have -- the asset that we have here is the
3 premier, among the most ideal spectrum you could imagine and
4 we're being prevented from using it because the Government is
5 squatting in our spectrum.

6 Now, what we've been able to do with the AST
7 transaction, Your Honor, that's where the analogy kind of
8 stops, because the AST transaction is not like we're using a
9 corner of our property or something like that. That
10 understates the importance of that transaction. The AST
11 transaction that's part of the RSA, that utilizes only the
12 MSS component of our spectrum.

13 Ligado has, for 25 years, used the satellite
14 component of its spectrum to operate a business and that
15 business does not have a significant amount of revenue. It
16 is not a self-sustaining business because the company's
17 invested billions of dollars in striving for the terrestrial
18 component use, but the MSS spectrum assets, we're making the
19 best of those and we're very excited about the opportunity
20 that comes with the AST transaction.

21 As we've all become more mobile and the technology
22 has improved, there are real opportunities for direct-to-
23 device exploitation of spectrum like ours, and so AST has
24 reached an agreement with us it's going to -- and I'll talk
25 about it in a second -- that's going to pay us real value for

1 the use of the MSS component of our spectrum. It is not
2 touching, however, the terrestrial component of the spectrum;
3 that is entirely the subject of the Government litigation.
4 And that's where the analogy falls apart because there's not
5 really an analog as it comes to beachfront property.

6 But I think the analog, just to try to visualize
7 what we're talking about here is we really have the best of
8 the best property and we've been unable to use it because of
9 the Government's actions.

10 If we turn to the next slide, Your Honor, and this
11 is the last slide that I have on the background of the
12 business, we do operate an existing satellite network. That
13 network uses a satellite that's launched in the sky,
14 SkyTerra 1. That was launched even before our last
15 bankruptcy, Your Honor, in November of 2020 -- I'm
16 sorry -- 2010. And it's been operating and functioning in
17 orbit since 2011.

18 SkyTerra 1 is one of the most advanced satellites
19 that has ever been launched. We have a second satellite that
20 is in storage right now, Your Honor. Those two satellites
21 were built by Boeing. Boeing is one of the very few
22 unsecured creditors that are at issue here, and I'll talk
23 about that in a moment.

24 But importantly, Your Honor, we currently have a
25 satellite network that uses a geostationary satellite with

1 our existing spectrum assets, using them on an MSS basis, so
2 satellite communication to base stations in Ottawa,
3 Saskatoon, Napa, and Dallas, which allows us to cover all of
4 North America, as you can see there on the map. And we have
5 a backup satellite sitting on the ground in a storage
6 facility.

7 So, Your Honor, that's the company. That's what
8 it does. Let me turn to the corporate structure and the
9 capital structure.

10 Your Honor, the company structure, this is what
11 emerged from bankruptcy last time. Each of these entities
12 that you see here before the -- on this chart are Delaware --
13 I'm sorry -- are companies that are in bankruptcy both, here
14 and in a parallel proceeding that we filed in Canada. We
15 will be seeking appointment of a foreign representative to
16 file a recognition proceeding in Canada with respect to these
17 assets in the Ontario Court of Justice.

18 Let me turn now to capital structure, Your Honor.
19 Your Honor, this is a complicated capital structure that has
20 been borne out of years of efforts to commercialize these
21 assets. The capital structure, at its core, came out of the
22 last bankruptcy. The last bankruptcy, Your Honor, had
23 tremendous support from its creditors and ultimately resulted
24 in an emergence where equity substantially stayed in the
25 money. And so you've had -- and as I mentioned a moment ago,

1 Your Honor, we had a restructuring out of court in 2020 where
2 the capital structure stayed substantially in place, just
3 moved down into a new series of preferred equity.

4 But the company has an enormous amount of debt
5 today, Your Honor. When you look at the secured debt, it's
6 over \$8 billion of secured debt both, on a first, in a 1.5
7 and a second lien basis. And it has a series of preferred
8 equity units, much of which were converted from debt in both,
9 the prior bankruptcy and in the 2020 restructuring.

10 The capital structure has grown to the size it is
11 because, Your Honor, we have not paid interest since the
12 bankruptcy. All of these facilities have been paid in kind.
13 So, no creditor has taken any dollars out of this. All we've
14 done throughout the years is continue to PIK interest in
15 anticipation of being able to monetize these assets in the
16 way that we hope to do some.

17 Your Honor, what's not reflected on this page but
18 what I will mention, and I know would be important to the
19 Court, is the unsecured creditor body. Your Honor, we filed,
20 with our petitions, a list of the top 30 creditors. The two
21 largest, Your Honor, are Inmarsat, who I already talked about
22 for whom there is a complaint that we filed with respect to,
23 and Boeing. I mention them as well, they are the satellite
24 manufacturer and they are both -- both of those claims, Your
25 Honor, are contingent, unliquidated, disputed claims that we

1 will have to resolve as part of this bankruptcy.

2 Not listed on the top 30 but, Your Honor, is Crown
3 Castle which -- and, actually, now that I say that I forgot,
4 Your Honor, back on the Spectrum chart, we don't need to go
5 back to it, but in addition to the spectrum that is the
6 subject of the government litigation we also, Your Honor,
7 lease Spectrum at 1670 to 1675 megahertz, that is detailed in
8 Mr. Smith's declaration, from an entity called Crown Castle.
9 Pursuant to that lease approximately \$150,000 of lease
10 payments became due prepetition when a payment was due on
11 January 1st. So, we will deal with the Crown Castle issue
12 not at today's hearing but in the very near term.

13 Under our RSA, Your Honor, those are the only
14 three specified ones. There are three additional creditors
15 on our unsecured creditors list totaling less than \$40,000
16 but the RSA includes a provision that anticipates that all of
17 the unsecured creditors are going to ride through unimpaired.
18 So, there will be some disputes that Your Honor will have to
19 resolve in particular with respect to Inmarsat and
20 potentially with respect to Boeing but, otherwise, it's our
21 expectation that the very few number of creditors that we do
22 have on a prepetition basis will ride through unimpaired.

23 So, Your Honor, the capital structure, while its
24 very complicated, as I mentioned in the RSA it's going to
25 stay largely intact with most of the debt that you see on

1 there. Any debt that is not being refinanced, and that is
2 the first out term loans that are being refinanced as part of
3 the DIP, being moved down into an equity position and with
4 the anticipation that the company will emerge with only the
5 DIP rolling into an exit facility so that the entirety of the
6 balance sheet coming out of bankruptcy on a debt basis will
7 consist of the DIP and its fees. The DIP, its rollup, and
8 the fees associated with that.

9 Your Honor, if we turn the page, we have had the
10 great pleasure to work with lenders who are unbelievably
11 supportive of this company. They have been for years and
12 they continue to be to this day. They are represented by
13 Sidley Austin who is counsel to a group of first lien only
14 debt holders and Kirkland & Ellis who represents a group of
15 cross holders across much of the capital structure. Foley,
16 Jones Day and Seward & Kissel represent certain of the
17 trustees and agents with respect to our debt facility.

18 As I said, Your Honor, when you file a case with
19 over 88 percent of your debt holders supporting the
20 restructuring you have tremendous cooperation from those
21 lenders and when you do an out of court restructuring, as we
22 did in 2020 that garnered 100 percent support, you know you
23 have a supportive group of creditors and this company could
24 not be more fortunate to have that.

25 If we turn the page, Your Honor, I have mentioned

1 this and I won't spend a lot of time here on it but we do
2 have -- one of our primary counterparties is Inmarsat. They
3 have -- notice of appearance was filed yesterday, Your Honor,
4 by Davis Jones from Pachulski represented with co-counsel at
5 Quinn Emanuel and Steptoe & Johnson representing Inmarsat.
6 They are one of our key counterparties, Your Honor.

7 As I mentioned, we did file litigation with
8 respect to what we believe to be breaches of the cooperation
9 agreement by Viasat. I will also just -- Mr. Smith details
10 this in his declaration but, Your Honor, we did engage for
11 months -- frankly, years we have been engaged in negotiations
12 to try to adjust the cooperation agreement to reflect both
13 what we believe to be breaches and changes in the environment
14 that were necessary to make adjustments there and we thought
15 we had come to an agreement in the September timeframe.

16 Unfortunately, at that point in time, we learned
17 of a tax issue that Viasat, Inmarsat and Viasat, had not
18 previously thought of and that really pulled the rug out from
19 under us to a great extent and we were forced to then go and
20 begin negotiations to try to find some alternative way to
21 satisfy the contact with Viasat. That is really what we did
22 and what brought us here with AST.

23 Throughout that period of time, we engaged -- we
24 continued to engage with Viasat, even bringing potential
25 counterparties to them to have a triparty negotiation in an

1 effort to try to come to a resolution. That is not the case
2 with AST, Your Honor. We -- they have not been engaged in
3 negotiations with Viasat and that is the party that we found
4 the most compelling opportunity with to bring before the
5 Court.

6 Your Honor, just to summarize on the next slide
7 the timeline of events, I think I have gone through
8 everything that is on this slide. So, I won't belabor it but
9 as a summary, Your Honor, as early as 2004 we filed the -- we
10 obtained authorization to use our spectrum on a terrestrial
11 basis. In 2012 that authorization was suspended leading to
12 the first bankruptcy filing. In 2015 we emerged from
13 bankruptcy and then in 2020 we got the SEC final
14 authorization to allow us to use the Spectrum on a
15 terrestrial basis. That is what then led to us discover that
16 the government who was objecting after the SEC had approved
17 it -- when I say the government I mean the Department of
18 Defense and the Department of Commerce. The Department of
19 Defense, in particular, was using our Spectrum in a way
20 without providing us with compensation. So, that is what led
21 to that October filing for bankruptcy and then ultimately the
22 denial of the motion to dismiss.

23 If we turn the page, Your Honor, I think I have
24 talked enough about this at this point to not go into it more
25 because that -- Your Honor is not going to be asked to

1 resolve this litigation but needless to say when you file a
2 \$39 billion takings claim it is a very important thing for
3 the company. So, this is the company's most important asset
4 and we will do everything we can to make sure that that is
5 preserved and prosecuted for the benefit of all of the
6 stakeholders.

7 Lastly, Your Honor, we just simply find ourselves
8 with an unsustainable capital structure in light of our
9 obligations and our ability to monetize our assets. So, that
10 is what brought us here today, Your Honor.

11 Let me turn now to where are we going, what is our
12 path forward. So, Your Honor, we have four guiding
13 principles for this bankruptcy or four objectives. First is,
14 as I have said a number of times, we will continue to pursue
15 the lawsuit against the United States Government to obtain
16 compensation for the taking of Ligado's Spectrum. That is
17 objective number one.

18 Objective number two, Your Honor, we have filed
19 our RSA with a term sheet, with AST Space Mobile. We have a
20 very aggressive timeline to get that to definitive
21 documentation, seek approval by the Court and ultimately to
22 consummate that transaction. I will talk about the milestones
23 in connection with that in a moment.

24 Third, we need to deal with our claims that have
25 been filed just today against Inmarsat and resolve what cure

1 amounts may be due, if any, to Inmarsat in connection with
2 the cooperation agreement.

3 Fourth is to complete the balance sheet
4 restructuring. That has already been agreed to by our
5 creditors and is reflected in the RSA.

6 Those are the objectives, Your Honor. Let me just
7 walk through how we are going to get there. So, first, as I
8 mentioned, we have an RSA. Your Honor is not being asked to
9 do anything with respect to the RSA today. The RSA does
10 include some of the terms of the various relief that we are
11 requesting. So, for example, the DIP that we are requesting
12 is referenced and contemplated in the RSA but the RSA has the
13 restructuring that I described but it also incorporates the
14 AST commercial agreement.

15 If we turn to the next page, Your Honor, I do want
16 to just highlight for the Court some of the milestones that
17 are put -- that are in the -- I'm sorry, the RSA. Your
18 Honor, we filed today, not in connection with the first days,
19 a motion seeking approval of a breakup fee for the AST
20 transaction. Your Honor has provided us with a hearing date
21 on January 27th for that and we appreciate that. That is
22 inside the milestone -- the 22-day milestone that we have
23 agreed to with AST.

24 We have requested -- we are seeking entry of the
25 interim DIP order. We have a milestone with respect to the

1 final DIP order where the rest of the relief would be
2 granted. We have given ourselves, Your Honor, 75 days to
3 negotiate the definitive documentation with AST in connection
4 with the commercial transaction. That part we understand is
5 very aggressive. This is a complicated thing. I have no
6 idea how to do it. I am not the one who is going to be
7 negotiating it but we are going to do everything we can to
8 negotiate that in that period of time.

9 Then, Your Honor, we are going to very quickly
10 thereafter, in connection with negotiating those documents,
11 file a plan, hope to get to confirmation of that plan
12 within 110 days of the -- I'm sorry, get to a disclosure
13 statement within 110 days of the petition date and then get
14 entry of a confirmation order within 145 days.

15 Your Honor, the last milestone there may be eye
16 opening to the Court but we do have a very long period from
17 the confirmation order until the effective date. We are
18 going to move to that as quickly as we can but there are a
19 number of regulatory preconditions to the effective date and
20 we have given ourselves an enormous amount of time to try to
21 do that so that the RSA and the commercial agreement
22 provide 40 months after the petition date to get those
23 regulatory approvals. So, we are going to move quickly, Your
24 Honor, to get to confirmation, ask the Court to approve a
25 plan that, as I said, is already supported by over 88 percent

1 of our lenders, and then we are going to run a huge number of
2 regulatory hurdles to emerge from bankruptcy, things that are
3 necessary for that commercial agreement to take effect.

4 Your Honor, you are going to hear from one of my
5 colleagues in a moment about the -- oh, I'm sorry, go back
6 one page. As I mentioned, Your Honor, this just illustrates
7 the level of support that we have. Let me be clear, we only
8 expressly sought support from the lenders because we believe
9 the preferred equity holders and the common equity holders
10 that they are unimpaired by this because they are simply
11 staying in place. The debt that is in front of them already
12 is moving, under the RSA, as preferred equity for the most
13 part and a portion of it will remain as DIP.

14 With cross holdings and with the direct support of
15 the lending groups this is the level of support that our RSA
16 that was filed with the Court already has. To be clear, Your
17 Honor, we are not aware of any one in the capital structure
18 who doesn't support this plan. What I mean by that is there
19 is no -- there are no objecting stakeholders on the funded
20 debt or the equity or the preferred equity side. It simply is
21 impossible to reach everybody given the size of the capital
22 structure and the time that we had. We expect these numbers
23 to grow over time. We think this will be an overwhelmingly
24 supported plan when we bring it before the Court for approval
25 on a disclosure statement basis.

1 Your Honor, I will preview just briefly the
2 debtor-in-possession financing facility that we have. My
3 colleague, Abigail Debold, is going to present this to the
4 Court in a few minutes but just to preview this is what we
5 have negotiated with our creditors, Your Honor. On an interim
6 basis it's a very small amount of funding of \$12 million.
7 The DIP, itself, is going to do two things: it's going to
8 fund up to \$115 million on an up to 12-month DIP, although
9 there is interim periods associated with that, and then in
10 addition to that, Your Honor, its going to refinance out the
11 first lien, first out facility.

12 Your Honor, that first lien first out facility has
13 been the, effectively, rescue financing that this company has
14 been living off of for the last almost two years where
15 lenders have agreed to step up on a first lien first out
16 basis and provide the funding that the company needs. So, we
17 are going to take that facility out with this loan and then
18 roll up some additional debt. Your Honor, the roll up and
19 the refinancing are not being asked of this Court today. So,
20 Ms. Debold is going to talk about it more in detail but I
21 just wanted to make the Court aware of that.

22 Importantly, Your Honor, again we have the support
23 of 88 percent of the lenders. There is a backstop for this
24 but it will be offered to all of the first lien lenders
25 ratably to participate in this.

1 So, Your Honor, that is my presentation to you of
2 the company. If we could go to the next slide. Our first day
3 agenda we filed with the Court, Your Honor, and these are the
4 items that we intend to go through. What I would like to do
5 at this time, Your Honor, is I would propose to introduce the
6 two declarations that we are going to rely upon in connection
7 with the first day hearing and then I will handle, I have
8 been asked to cover the joint administration motion
9 anticipating that to be a flurry of activity.

10 THE COURT: Okay.

11 MR. LEBLANC: So, Your Honor, unless you have any
12 questions, I would be happy to move in our evidence.

13 THE COURT: Yeah, let's go onto the evidence
14 please.

15 MR. LEBLANC: So, Your Honor, the first day
16 pleadings are substantially supported by the declaration of
17 Douglas Smith, which was filed at Docket No. 2. As I
18 mentioned earlier, Mr. Smith is on the Zoom line. I would --
19 I think Mr. Smith can turn his camera on.

20 THE COURT: Good afternoon, Mr. Smith.

21 MR. SMITH: Good afternoon, Your Honor.

22 MR. LEBLANC: Your Honor, Doug Smith is the
23 company's CEO. He is also our first day declarant. He is
24 here on the Zoom and, Your Honor, we would offer Docket
25 No. 2, Mr. Smith's declaration, into evidence as his direct

1 testimony.

2 THE COURT: Does anybody object to the admission
3 of Mr. Smith's declaration for the purposes of today's
4 hearing?

5 MS. DAVIS JONES: Good afternoon, Your Honor.
6 Laura Davis Jones of Pachulski Stang Ziehl & Jones. Your
7 Honor, appearing in these cases with Fred Reisner from the
8 Steptoe firm and also Ben Finestone from Quinn Emanuel.

9 Your Honor, I rise simply with respect to this
10 declaration as well as Mr. Mendelsohn's declaration, we would
11 ask that they be admitted only for purposes of today's
12 hearing and nothing further than that.

13 THE COURT: Okay, very good. The declarations are
14 being moved for the purpose of today's hearing only.

15 MS. DAVIS JONES: Thank you, Your Honor.

16 THE COURT: Thank you, Ms. Jones.

17 Are there -- is there anybody else who wishes to
18 make any statements regarding the admission of Mr. Smith's
19 declaration?

20 (No verbal response)

21 THE COURT: Okay, I hear no response. It is
22 admitted for the purposes of today's hearing only.

23 (Smith declaration received into evidence)

24 MR. LEBLANC: Thank you, Your Honor.

25 THE COURT: I'm sorry, let me ask, is there anyone

1 who wants to cross-examine Mr. Smith?

2 MS. DAVIS JONES: No thank you.

3 THE COURT: Okay.

4 MR. LEBLANC: Thank you, Your Honor. Your Honor,
5 the second declarant, and I will ask Mr. Mendelsohn to come
6 on the line, is Bruce Mendelsohn of Perella Weinberg
7 Partners. We submitted a declaration in support of the DIP
8 motion by Mr. Mendelsohn at Docket No. 6. Your Honor, we
9 would offer Mr. Mendelsohn's declaration at Docket No. 6 as
10 his direct testimony subject to the same reservation that
11 Ms. Davis Jones just stated.

12 THE COURT: Okay. Is there anybody who objects to
13 the admission of Mr. Mendelsohn's declaration for the
14 purposes of today's hearing only?

15 (No verbal response)

16 THE COURT: Okay, I hear no response. It is
17 admitted.

18 (Mendelsohn declaration received into evidence)

19 THE COURT: Is there anyone who would like to
20 cross-examine Mr. Mendelsohn?

21 (No verbal response)

22 THE COURT: Okay, I hear no response.

23 MR. LEBLANC: Thank you, Your Honor. Your Honor,
24 that concludes our presentation of evidence with respect to
25 the first day hearings.

1 As a housekeeping matter, Your Honor, I will
2 present our joint administration motion which is at Docket
3 No. 3. When I stood up here it had not been entered but,
4 Your Honor, we would ask for joint administration for
5 procedural purposes only of the 11 separate cases that we
6 filed.

7 THE COURT: Is there anybody who would like to be
8 heard regarding the joint administration motion?

9 Mr. Hackman, good afternoon.

10 MR. HACKMAN: Good afternoon, Your Honor. May I
11 please the Court, Ben Hackman for the U.S. Trustee.

12 I rise to confirm that we have no objection to
13 entry of this order and to confirm that our comments on the
14 other first day motions have been resolved. I thank counsel
15 for working with us on it.

16 THE COURT: Thank you, Mr. Hackman.

17 Okay, the joint administration motion, of course,
18 is routine and it is granted.

19 MS. DAVIS JONES: Your Honor, if I may on behalf
20 of Inmarsat.

21 THE COURT: Yes, Ms. Jones.

22 MS. DAVIS JONES: Your Honor, likewise, with
23 respect to not just this motion but the other motions, Your
24 Honor, we appreciate that they are interim in nature, I think
25 all for the most part. We will not be objecting today on the

1 basis of an interim basis, Your Honor, but I clearly wanted
2 to reserve all of our rights to revisit issues at a final
3 hearing on any of these motions including the DIP financing.
4 I didn't want our silence to be deemed acquiescence to any
5 final relief.

6 Your Honor, I had a few other comments I wanted to
7 make in response to Mr. Leblanc that are very short now if
8 that would be okay with the Court or I can do it later.

9 THE COURT: Now is fine, Ms. Jones.

10 MS. JONES: Thank you, Your Honor. Your Honor, as
11 you likely read in the declaration and, obviously, heard
12 today, and I am going to stay at a very high level, the
13 debtors have been in a cooperation agreement with Inmarsat
14 since 2007 which gives the debtors access to a valuable
15 satellite, Spectrum.

16 The cooperation agreement is a contract for
17 allocating rights to Spectrum, which is the lifeblood of the
18 satellite business. There is a limited Spectrum and the FCC
19 generally requires licensees to coordinate with other
20 satellite operators authorized to use the same Spectrum by
21 other national governments. In this case, Ligado's FCC
22 Spectrum license requires that it coordinate with other
23 operators like Inmarsat which holds a license from the United
24 Kingdom's Office of Communications.

25 The cooperation agreement I referenced gives the

1 debtor access to satellite Spectrum that Inmarsat could,
2 otherwise, use for its own business and that Inmarsat has
3 vacated to honor its commitment to make the Spectrum
4 available to Ligado. No party, Your Honor, has supported
5 this debtor more than Inmarsat has. For more than eight
6 years prior to this filing Inmarsat agreed to amend the
7 cooperation agreements to accommodate the debtors and to
8 defer payments under the contract, just as Inmarsat did prior
9 to Ligado's previous bankruptcy filing a decade ago.

10 Inmarsat, Your Honor, is owed approximately \$500
11 million from the debtor making it likely the largest creditor
12 in this case. Inmarsat continues to be owed money on a
13 quarterly basis post-petition making the Spectrum available
14 to the debtor with respect to which we are reserving all
15 rights. Your Honor, the bankruptcy filing came as a
16 surprise. Inmarsat did not know Ligado was filing yesterday.
17 This is disturbing but, obviously, we are reaching out and
18 talking to the debtor to see if we can reach an understanding
19 of what is going on and look forward to moving forward.

20 Needless to say, Your Honor, and despite what is
21 said in the declaration, Inmarsat is not the cause of the
22 debtors financial distress and, in fact, the cause is the
23 debtors inability to conduct its business. Your Honor, I do
24 not know where our conversations are going to go. The debtors
25 RSA referenced a draft complaint prepared with respect to our

1 client and, again, Your Honor, on surprise we received right
2 before this hearing a complaint that has been filed under
3 seal. We asked for a copy, I received it right before the
4 hearing but have not had a chance to review it.

5 Your Honor, the cooperation agreement is a vital
6 component of the debtors business. Indeed, Inmarsat has not
7 been paid for years. Ligado is getting extreme benefit
8 without paying for it and post-petition the obligations
9 continue. I expect the parties will have different points of
10 view. Obviously, Judge, those are not issues for today as
11 Mr. Leblanc said but issues that I expect will be brought to
12 you shortly if not resolved.

13 So, Your Honor, I did want to make you aware of
14 that. I think Mr. Leblanc did touch on it but, Your Honor,
15 obviously, we see it very differently and more importantly,
16 Your Honor, we see it as a creditor who has now worked with
17 this debtor for quite some time. No good deed goes
18 unpunished, Your Honor, we got surprised by a bankruptcy
19 filing. We are owed about \$500 million and we continue to be
20 owed money post-petition.

21 I just want to bring that to Your Honor's
22 attention and we will see where it goes from here.

23 THE COURT: Thank you for the comments, Ms. Jones.

24 MS. DAVIS JONES: Thank you, Your Honor.

25 Appreciate it.

1 THE COURT: Mr. Leblanc.

2 MR. LEBLANC: Thank you, Your Honor. I welcome
3 Ms. Jones. She and I have worked together for many decades.
4 I welcome her to this situation. I think she -- the comments
5 that it is a surprise when we have a deadline to pay them by
6 Friday, I think, will not bear themselves out but I am not
7 going to address that, Your Honor. Now is not the time to do
8 it but we will address all of those issues in due course.

9 So, Your Honor, unless the Court has any questions
10 with respect to the background I am going to turn now to the
11 rest of the motions if that is alright with the Court.

12 THE COURT: Yes, please.

13 MR. LEBLANC: Your Honor, I will -- my colleague,
14 Abigail Debold is going to present the DIP motion and then we
15 will move through the rest of the agenda. We are going to
16 just use this same set up here. So, Ms. Debold is going to
17 come right to his podium if that is okay with the Court.

18 THE COURT: It is, of course.

19 MR. LEBLANC: Thank you, Your Honor.

20 THE COURT: Thank you, Mr. Leblanc.

21 Ms. Debold, welcome.

22 MS. DEBOLD: Good afternoon.

23 THE COURT: Good afternoon.

24 MS. DEBOLD: Good afternoon, Your Honor. Abigail
25 Debold of Milbank, proposed counsel for the debtors.

1 Your Honor, today we are seeking interim approval
2 of the proposed DIP financing and authorization for continued
3 use of cash collateral. This is the motion filed at Docket
4 No. 4 and Item No. 14 on the agenda. In support of the
5 motion the debtors submitted the declaration of Bruce
6 Mendelsohn, which is filed at Docket No. 6 and is listed as
7 Item No. 14(i) on the agenda. Mr. Mendelsohn's DIP
8 declaration has already been admitted into evidence for
9 today's hearing. With that I will move into presenting the
10 motion.

11 The parties have worked very hard to get to the
12 point that we are at today with approximately 88 percent of
13 our funded debt holders supporting the proposed DIP facility
14 which is a key component of the broader restructuring
15 transaction contemplated by the restructuring support
16 agreement. All of the debtors first lien debt holders will
17 be offered the opportunity to participate in the DIP. Your
18 Honor has already heard some of these but I think it makes
19 sense to illuminate the key features of the DIP facility.

20 The DIP facility is comprised of new money term
21 loans in the principle amount of approximately \$442 million,
22 \$12 of which would be available upon entry of the interim
23 order and approximately \$327 million would be used upon entry
24 of the final order to repay in full the debtors first out,
25 first lien loan obligations. The remaining \$103 million

1 would be available in up to three draws following entry of
2 the final order.

3 Also upon entry of the final order, approximately
4 \$442 to \$497 million of the debtors first lien loan and notes
5 obligations would roll up into DIP loans. The roll up would
6 be on a one-to-one basis with the new money loans if all
7 eligible lenders participate pro rata in the DIP and on a two
8 to one basis for new money loans in excess of the lenders pro
9 rata share of the DIP participation. Interest on the DIP
10 facility is 17.5 percent paid in kind which is consistent
11 with the debtors prepetition debt. The DIP facility includes
12 a commitment fee of 5 percent paid in kind upon entry of the
13 interim order, funding discount fees of 5 percent paid in
14 kind upon each new money funding, and a 3 percent per annum
15 unused commitment fee paid in kind monthly beginning
16 January 31st.

17 Certain of the debtors existing lenders who are
18 party to the RSA have committed to backstop the entirety of
19 the DIP facility. Accordingly, there is also a 12.5 percent
20 backstop fee to be paid in kind to the backstop parties on
21 the amount of new money commitments upon entry of the interim
22 order. The DIP loans will be secured by first priority liens
23 in all of the debtors collateral. Additionally, the RSA
24 provides for the conversion of the DIP facility into exit
25 financing upon Ligado's emergence from Chapter 11.

1 At this point I think it would make sense to focus
2 the discussion on the elements of the DIP that we actually
3 need to resolve today at this interim hearing. For example,
4 the rollup and the refinancing components of the DIP are
5 subject to Your Honor's approval of the DIP on a final basis.
6 That, essentially, leaves for today only the \$12 million
7 interim draw, the DIP fees, and interim cash collateral use.

8 In connection with cash collateral use, the
9 parties have agreed to provide adequate protection to the
10 prepetition secured parties whose liens are being primed by
11 the DIP liens, which includes adequate protection liens and
12 claims, payment of professional fees and expenses, and the
13 payment of PIK interest at the default rate to the holders of
14 prepetition first lien debt.

15 The uncontested evidence is clear that this
16 company needs immediate access to DIP financing and to cash
17 collateral. As Mr. Mendelsohn has stated in his declaration,
18 it is paramount for the debtors to obtain the funding
19 necessary to, among other things, continue paying employees,
20 meet their working capital needs, and fund expenses
21 associated with these cases so that they can preserve and
22 maximize the value of their estates.

23 Your Honor, for interim relief with respect to the
24 DIP facility, the debtors are requesting immediate access
25 to \$12 million in cash proceeds from the DIP. That amount

1 will provide the liquidity needed for the debtors to operate
2 smoothly during the interim period. The debtors and their
3 advisers believe that this amount, together with the use of
4 cash collateral and the additional final new money DIP
5 proceeds, should be enough to address their immediate
6 liquidity needs and allow them to responsibly administer
7 these Chapter 11 cases.

8 The debtors and the DIP lenders have also engaged
9 in hard-fought negotiations over the terms of the budget and
10 believe that it provides the debtors with the needed funds
11 for operational expenses during these Chapter 11 cases. In
12 addition, there are various milestones related to the
13 restructuring transactions contemplated by the RSA, which are
14 included as part of the DIP facility to ensure that the
15 restructuring transactions are moving forward efficiently.

16 This DIP financing is on the best terms available
17 to the debtors. Mr. Mendelsohn stated in his declaration
18 that the debtors and their advisers conducted a prepetition
19 marketing process to obtain DIP financing, and that, despite
20 their best efforts, the only available financing came in the
21 form of this DIP from the prepetition lenders. The debtors
22 and their professionals tried to obtain DIP financing on
23 better terms, but such financing was not available. As
24 stated in Mr. Mendelsohn's declaration, the proposed DIP
25 facility is the only option available to the debtors given

1 the debtors' financial situation and prepetition capital
2 structure. There is simply no option for the debtors to
3 obtain DIP financing on better terms.

4 The features of the DIP facility, including the
5 interest rate, the fees, the rollup, and the first-out
6 refinancing were all critical conditions that the DIP lenders
7 insisted upon. No DIP financing is available to debtors in
8 their current circumstances without these terms. However, I
9 again want to note that the rollup and refinancing features
10 of the DIP are not components for which we are seeking
11 approval today.

12 Your Honor, this DIP facility represents the best
13 and only option for post-petition financing, and it must be
14 viewed in the context of how we got here. Our secured
15 lenders have been funding the company for years through the
16 super senior first-out term loans, notwithstanding the issues
17 that the company has faced because of the actions of the
18 Government. Portions of the first-out loans were effectively
19 a pre-DIP DIP provided by our lenders. This DIP must also be
20 viewed in the context of the broader restructuring under the
21 RSA, which is supported by 88 percent of the funded debt, and
22 material portions of the preferred equity. This RSA is
23 highly unusual in that it provides for a restructuring that
24 preserves the capital structure waterfall, which is highly
25 beneficial for the company's stakeholders.

1 When viewed in this context and under these very
2 unique circumstances, the terms of this DIP are appropriate.

3 The parties have also worked with Mr. Hackman to
4 resolve the issues raised by the U.S. Trustee, and we believe
5 that those issues have now been resolved. An amended form of
6 order will be filed following the hearing reflecting a
7 cleanup change to paragraph 22 to remove the reference to the
8 USTP guidelines in that paragraph.

9 We therefore ask, subject to any comments that the
10 Court may have, that Your Honor grant the motion on an
11 interim basis so that the debtors may immediately access the
12 new money under the DIP facility and continue using cash
13 collateral before the final hearing, each of which is
14 critical to the debtors' ability to preserve and maximize the
15 value of their estate.

16 I'll pause here for any questions or comments that
17 Your Honor may have.

18 THE COURT: Thank you, Ms. Debold.

19 Is there anybody who'd like to be heard regarding
20 the request for interim approval of the DIP financing motion?

21 (No verbal response)

22 THE COURT: Okay, I hear no response.

23 So the only change that will be coming is to
24 strike the language about not being required to comply with
25 the USTP guidelines at paragraph 22?

1 MS. DEBOLD: That's correct.

2 THE COURT: Okay. Based upon that and the
3 evidence before me, I do find that it's necessary to avoid
4 immediate and irreparable harm that I approve the DIP
5 financing motion on an interim basis. The debtors have
6 demonstrated why it's an appropriate exercise of their
7 business judgment to enter into these transactions and, for
8 those reasons, I will grant the motion on an interim basis.

9 MS. DEBOLD: Thank you, Your Honor. I'll now turn
10 the podium over to my colleague Tuvia Peretz to address the
11 next item on the agenda, which is the cash management motion.

12 THE COURT: Thank you, Ms. Debold.

13 MR. PERETZ: Good afternoon, Your Honor. For the
14 record, Tuvia Peretz of Milbank LLP.

15 Next on the agenda is Item Number 15, which is the
16 debtors' cash management motion, filed at Docket Number 7.
17 The debtors are requesting to continue to operate their
18 existing cash management system in the ordinary course, to
19 pay related fees and credit cards, and to engage in
20 intercompany transactions.

21 To facilitate the efficient operation of their
22 business, the debtors use an integrated, centralized cash
23 management system to collect, manage, disburse, and invest
24 funds generated by their operations. The significant
25 components of the debtors' cash management system are

1 outlined in Exhibit D attached to the motion, and the
2 debtors' nine bank accounts are listed on Exhibit C.

3 The cash management system facilitates cash
4 monitoring, forecasting, and reporting, and enables the
5 debtors to maintain control over the administration of their
6 bank accounts. The debtors use their bank accounts to
7 organize and monitor cash flows across the corporate
8 enterprise, and to centralize procurement and general admin
9 and operating expenses. The debtors also maintain current
10 and accurate accounting records of all their daily cash
11 transactions.

12 In addition, the debtors are seeking a waiver of
13 the requirements under Section 345 of the Bankruptcy Code,
14 which the Bankruptcy Court may grant for cause.

15 There are two accounts at banks that are not
16 authorized deposit -- on the authorized depository list. In
17 the ordinary course of business, the debtors maintain one
18 domestic investment account with Royal Bank of Canada, and
19 one foreign bank account at Scotiabank. These bank accounts
20 are vital to the debtors' cash management system, and
21 requiring the debtors to transfer funds to other banks on the
22 authorized depository list would be expensive and burdensome
23 to the debtors' operations.

24 Both accounts are maintained at banks that are
25 well-capitalized and highly rated and comparable to those

1 financial institutions included on the authorized depository
2 list, and both have strong Moody's and S&P long-term debt and
3 deposit ratings and general reputations in the banking
4 market. The debtors also believe their investment policies
5 satisfy the requirements of Section 345(a) and that
6 sufficient cause exists to exempt the investment account
7 from 345(b). The Scotiabank account is used for Canadian
8 operational purposes and central to the Canadian operations
9 and payroll.

10 For these reasons, the debtors believe a waiver of
11 the requirements under Section 345(b) is appropriate.

12 We've also discussed the order with the Office of
13 the United States Trustee, and shared the motion with the
14 other two stakeholders. We've incorporated any comments
15 received, but otherwise have not received any objections to
16 the motion.

17 Unless Your Honor has any questions, we would ask
18 that the proposed interim order be entered.

19 THE COURT: Okay. Is there anybody who would like
20 to be heard regarding interim approval of the cash management
21 motion?

22 (No verbal response)

23 THE COURT: Okay, I hear no response.

24 Based upon the record before me, I do find that
25 the relief requested in the motion is appropriate and

1 warranted, and I will grant the motion on an interim basis.

2 MR. PERETZ: Thank you, Your Honor.

3 Moving on to the next item on the agenda, which is
4 Item Number 16, the debtors' taxes and fees motion, which is
5 filed at Docket Number 11.

6 The debtors request entry of interim and final
7 orders authorizing the debtors to pay certain prepetition
8 taxes and fees due and owing to taxing authorities that arise
9 in the ordinary course. The debtors are requesting authority
10 to pay, in the aggregate, up to \$55,000 in prepetition taxes
11 and fees in the interim period, and to pay up to \$160,000 in
12 prepetition taxes and fees during these cases.

13 In the ordinary course of business, the debtors
14 collect, withhold, incur, and comply with a variety of taxes
15 and tax obligations, including state use taxes, real and
16 personal property taxes, franchise taxes, business taxes,
17 reporting fees, and U.S. and Canadian regulatory fees,
18 including the FCC.

19 The debtors believe that the relief requested in
20 the taxes motion is necessary and appropriate because failure
21 to pay these prepetition taxes and regulatory fees, and any
22 other unpaid amounts owing to the applicable authorities,
23 could materially and adversely impact the business.
24 Specifically, if the debtors were to delay paying prepetition
25 taxes and fees, there's a risk taxing authorities would

1 assess penalties on past due amounts and increase the size of
2 the debtors' financial liability, or that governmental
3 authorities would pursue claims against officers and
4 directors, or seek to retract valuable licenses.

5 Again, we've discussed the order with the Office
6 of the United States Trustee and shared the motion with key
7 stakeholders. We've incorporated any comments received, but
8 otherwise have not received any objections.

9 Unless Your Honor has any questions on the taxes
10 and fees motion, we'd respectfully request that Your Honor
11 enter the interim order.

12 THE COURT: Okay. Is there anybody who would like
13 to be heard regarding the tax motion?

14 (No verbal response)

15 THE COURT: Okay, I hear no response.

16 Based upon the evidentiary record before me, I do
17 find that the relief requested in the motion is warranted and
18 I will approve it on an interim basis.

19 MR. PERETZ: Thank you very much, Your Honor.
20 I'll now turn over the podium to my colleague Ms. Lee Sauer
21 for the next item on the agenda, which is the utilities
22 motion.

23 THE COURT: Thank you, Mr. Peretz.

24 Welcome, Ms. Sauer.

25 MS. SAUER: Thank you. Good afternoon, Your

1 Honor, Danielle Lee Sauer of Milbank, proposed counsel to the
2 debtors. I'll be handling Items 17 and 18 on the agenda for
3 today's hearing, beginning with the utilities motion, which
4 was filed at Docket Number 13.

5 By this motion, the debtors are seeking interim
6 and final relief approving the proposed adequate assurance
7 procedures as detailed in the motion and prohibiting utility
8 companies from altering, refusing, or discontinuing services
9 to the debtors.

10 In the ordinary course of business, Your Honor,
11 the debtors obtain services directly from certain utility
12 providers such as electricity and telecommunication services.
13 Some of the debtors' utility services are billed directly to
14 the debtors' landlords and passed through to the debtors in
15 accordance with the applicable leases. In total, the debtors
16 spend on average approximately \$140,000 per month on utility
17 services.

18 As of the petition date, the debtors estimate that
19 approximately \$54,800 in utility costs may be outstanding due
20 to the timing of the commencement of these cases. And
21 although the debtors expect to have sufficient liquidity to
22 pay their utilities obligations, in order to provide
23 additional adequate assurance of payment to utility
24 companies, the debtors propose to deposit \$70,000 into a
25 segregated bank account for the benefit of utility companies.

1 This number will cover one half of the projected post-
2 petition monthly utilities costs, and the debtors propose
3 depositing that cash within 20 days after entry of the
4 interim order.

5 In addition, the debtors are seeking to institute
6 procedures whereby utility companies may seek to request
7 adequate assurance of payment exceeding the debtors' proposed
8 amounts. These procedures are intended to streamline the
9 process for addressing any potential concerns regarding the
10 proposed adequate assurance and to provide for a more
11 efficient process to do so.

12 In short, Your Honor, the relief requested in this
13 motion is necessary because utility services are vital to the
14 debtors' continued operations and success of these Chapter 11
15 cases. This motion and the proposed order were shared with
16 the U.S. Trustee and the comments provided by the U.S.
17 Trustee were incorporated prior to this hearing, and we've
18 received no other objections.

19 Unless Your Honor has any other questions, the
20 debtors respectfully ask that the Court enter the interim
21 order attached to the utilities motion.

22 THE COURT: Okay. Is there anybody who would like
23 to be heard regarding the utilities motion?

24 (No verbal response)

25 THE COURT: Okay, I hear no response.

1 Once again, based upon my review of the
2 evidentiary record and having considered the relief requested
3 in the motion, I do find that the procedures being proposed
4 are standard in this district and there's nothing there that
5 gives rise to any sort of concerns, so I'm happy to approve
6 the motion on an interim basis.

7 MS. SAUER: Thank you, Your Honor.

8 I'll now move on to the next item on the agenda
9 for this afternoon, which is the debtors' insurance motion
10 that appears at Docket Number 14. By this motion, the
11 debtors seek interim and final orders authorizing the debtors
12 to, one, continue their insurance policies and surety bond
13 programs, and, two, renew, revise, amend, supplement, extend,
14 or enter into new insurance policies and surety bonds in the
15 ordinary course.

16 In the ordinary course, the debtors maintain
17 approximately 16 insurance policies with various third party
18 carriers. The debtors make premium payments based upon a
19 fixed rate established by each individual insurance carrier
20 on an annual basis. The aggregate amount of insurance
21 payments paid by the debtors totaled approximately \$7,133,611
22 in the 12 months preceding this filing. The debtors estimate
23 that, as of the petition date, they do not owe any amounts on
24 account of insurance premiums or other payment obligations
25 related to the insurance policies.

1 The debtors also currently maintain two surety
2 bonds in the ordinary course. As of the petition date, the
3 debtors do not believe they owe any prepetition amounts on
4 account of the surety bond programs, but out of an abundance
5 of caution the debtors seek authority to continue to satisfy
6 all amounts owed in connection with those programs.

7 As Your Honor knows, the Bankruptcy Code requires
8 that the debtors maintain certain insurance coverage
9 throughout the Chapter 11 cases, and it's really just sound
10 business judgment for the debtors to maintain insurance
11 policies, which are essential to the preservation of the
12 value of their estates.

13 We previewed the motion and the order to the U.S.
14 Trustee and implemented and added prior to this hearing, as
15 we did with the utilities motion. We received no other
16 objection.

17 So, unless Your Honor has any questions, the
18 debtors respectfully request that the Court enter the interim
19 order attached to the insurance motion.

20 THE COURT: Is there anyone who would like to be
21 heard regarding the insurance motion?

22 (No verbal response)

23 THE COURT: Okay, I hear no response.

24 Again, based upon my view of the evidentiary
25 record before me, I do find that the relief requested in the

1 motion is warranted and appropriate. It's necessary to
2 maintain that insurance and certainly Mr. Hackman would have
3 something to say about if the debtors failed to do so. So I
4 am more than happy to approve the insurance motion on an
5 interim basis.

6 MS. SAUER: Thank you, Your Honor. I will now
7 turn the podium over to my colleague Jordan Rosen, who will
8 present the balance of the motions on the agenda today.

9 THE COURT: Thank you, Ms. Sauer.

10 Good afternoon, Ms. Rosen.

11 MS. ROSEN: Good afternoon, Your Honor, Jordan
12 Rosen of Milbank, as proposed counsel to the debtors.

13 The next item on the agenda is Item Number 19, the
14 employee compensation and benefits motion, which was filed at
15 Docket Number 15.

16 The debtors request entry of an interim order
17 authorizing them to pay and honor prepetition obligations on
18 account of compensation and benefits programs, and to
19 maintain such programs in the ordinary course of business.
20 The Court has the authority to grant the requested relief
21 pursuant to Sections 105(a) and 363 of the Bankruptcy Code.

22 The debtors have 80 employees who are employed on
23 a full-time, part-time, and temporary basis, and who are
24 based in both the United States and Canada. The debtors also
25 regularly use the services of six independent contractors.

1 The employees and independent contractors perform various
2 critical functions, are not easily replaced, and are
3 essential to effective operations in Chapter 11 and a
4 successful reorganization. The employees and independent
5 contractors possess unique skills, experience, knowledge, and
6 understanding of the debtors' business and operations.

7 At a high level, the compensation and benefits
8 programs that the debtors seek to maintain include wages and
9 salaries, payroll service fees, withholdings and payroll
10 taxes, expense reimbursement, manager compensation, bonus and
11 incentive programs; employee benefits programs including
12 health insurance programs, other insurance and disability
13 benefits, workers' compensation programs, paid leaves and
14 other leaves of absence, 401(k) benefits, severance, and
15 certain other benefits. It is essential that the debtors be
16 able to continue the compensation and benefits programs, and
17 make payments due and owing on account of such programs.

18 For the avoidance of doubt, Your Honor, the
19 debtors are not seeking authority to make any payments to
20 insiders under the bonus programs or severance programs, and
21 the debtors will not pay any employee, independent
22 contractor, or manager any prepetition amount over the
23 statutory cap of \$15,150 per individual.

24 The debtors believe that, in their business
25 judgment, the relief requested in the motion is necessary for

1 the continued uninterrupted operations and to preserve value
2 for the debtors' estates. Absent the relief requested, the
3 debtors would otherwise face severe threats to the successful
4 operation of their businesses, including employee attrition
5 and turnover, as well as the loss of employee morale, which
6 would impair the debtors' ability to effectively continue
7 their current operations.

8 The debtors have shared the motion with the United
9 States Trustee and other key stakeholders, and the U.S.
10 Trustee had no comments to the proposed form of interim
11 order.

12 So, unless Your Honor has any questions, the
13 debtors respectfully request that the Court enter the
14 proposed interim order.

15 THE COURT: Is there anyone who would like to be
16 heard regarding the employee wage motion?

17 (No verbal response)

18 THE COURT: Okay, I hear no response.

19 Once again, based upon my review of the evidence,
20 I do find that it's appropriate that I enter this order on an
21 interim basis. Clearly, immediate and irreparable harm would
22 come to the debtors if I did not approve it because it's,
23 frankly, unthinkable that employees should be in a position
24 where they are not being fully paid for all the work that
25 they may have performed prepetition. So, therefore, I'm very

1 happy to grant this motion on an interim basis and I will do
2 so.

3 MS. ROSEN: Thank you, Your Honor.

4 The next item on the agenda is Item Number 20, the
5 redaction motion, which was filed at Docket Number 16.

6 Your Honor, this motion seeks authority to seal
7 and redact certain personal information from the creditor
8 matrix and other documents filed with this Court. The Court
9 has the authority to grant the requested relief pursuant to
10 Sections 107(c) and 105(a) of the Bankruptcy Code.

11 The debtors submit that cause exists to redact
12 personally identifiable information from the debtors' filings
13 due to concerns of identity theft, harassment, stalking,
14 phishing scams, and other concerns. The debtors propose to
15 file unredacted versions of all redacted filings under seal,
16 and to also provide unredacted copies to the Court, the
17 United States Trustee, counsel to the Ad Hoc Cross-Holder
18 Group, and Ad Hoc First Lien Group, counsel to any official
19 committee appointed, and any other party as the Court may
20 direct.

21 We have shared drafts of the motion and order with
22 the United States Trustee and other key stakeholders, and
23 have incorporated any comments received.

24 So, unless Your Honor has any additional
25 questions, the debtors request that the Court enter the

1 proposed form of order.

2 THE COURT: Okay, is there anybody who would like
3 to be heard regarding this redaction motion?

4 (No verbal response)

5 THE COURT: Okay, I hear no response.

6 Again, based upon the evidence before me, I do
7 find that it is appropriate to grant the relief requested
8 here. And we see these sorts of motions typically on first
9 days now, and I would note that the scope of redactions
10 sought here are fairly modest and I certainly have no
11 problems with what's being requested. So, therefore, I'm
12 very happy to grant the motion.

13 MS. ROSEN: Thank you, Your Honor.

14 The next item on the agenda is Item Number 21, the
15 foreign representative motion, which was filed at Docket
16 Number 17.

17 Your Honor, this motion seeks authorization for
18 Ligado Networks LLC to act as foreign representative of the
19 debtors in any proceedings filed in any foreign country,
20 authorization for Ligado Networks LLC to seek recognition by
21 a Canadian court of the debtors' Chapter 11 cases and orders
22 entered by this Court, and a request for the Canadian court
23 to lend assistance to this Court. The Court has authority to
24 grant the requested relief pursuant to Sections 1505 and 1107
25 of the Bankruptcy Code.

1 Your Honor, in addition to the operations in the
2 United States, three of the debtors are incorporated in
3 Canada: Ligado Networks Canada, Inc., Ligado Networks Corp.,
4 and Ligado Networks Holdings Canada, Inc. The debtors
5 believe it will be necessary to commence ancillary
6 proceedings in Canada pursuant to the Canadian Companies
7 Creditors Arrangement Act, or CCAA. If appointed, Ligado
8 Networks LLC intends to seek such relief in the Ontario
9 Superior Court of Justice, and request that the Canadian
10 court recognize these Chapter 11 cases as foreign main
11 proceedings under the CCAA. However, in order to commence
12 the CCAA proceedings the CCAA requires that the debtors
13 receive authority from this Court to act as a foreign
14 representative, as defined in the CCAA.

15 Your Honor, we've shared drafts of the motion and
16 proposed order with the United States Trustee and other
17 stakeholders, and have incorporated any comments received.
18 So, unless Your Honor has any questions, we respectfully
19 request that the Court enter the proposed form of order.

20 THE COURT: Okay, is there anyone who would like
21 to be heard regarding this motion?

22 (No verbal response)

23 THE COURT: Okay, I hear no response.

24 Again, I've considered the evidence before me, I
25 have reviewed the motion, I've heard the argument on it, and,

1 under Section 1505 of the Bankruptcy Code, I do possess the
2 authority to grant the relief that the debtor is requesting.
3 So I'm happy to go ahead and grant the motion.

4 MS. ROSEN: Thank you, Your Honor.

5 Now turning to the last item on the agenda,
6 Item 22, the Omni retention application, which was filed at
7 Docket Number 18. This application seeks appointment of Omni
8 Agent Solutions as claims and noticing agent, effective as of
9 the petition date. The application is supported by the
10 declaration of Paul Deutch, executive vice president of Omni,
11 attached as Exhibit B to the application.

12 At this time, the debtors request that the
13 declaration be entered into evidence.

14 THE COURT: Okay. Does anybody object to the
15 admission of Mr. Deutch's declaration in support of Omni's
16 retention?

17 (No verbal response)

18 THE COURT: Okay, I hear no response.

19 Is there anybody who'd like to cross-examine Mr.
20 Deutch?

21 (No verbal response)

22 THE COURT: I hear no response.

23 (Declaration of Paul Deutch received in evidence)

24 THE COURT: Okay, Ms. Rosen.

25 MS. ROSEN: Thank you, Your Honor.

1 The debtors submit that the retention of Omni as
2 claims and noticing agent will ensure the efficient
3 administration of these Chapter 11 cases while relieving the
4 Clerk's Office of a material burden absent Omni's
5 appointment. The Court has the authority to grant the
6 requested relief pursuant to Section 156(c) of Title 28 of
7 the United States Code and Local Rule 2002-1(f).

8 The debtors submit that Omni has both the
9 necessary qualifications and experience to serve as claims
10 and noticing agent. As claims and noticing agent, Omni will
11 assume full responsibility for the distribution of notices in
12 these Chapter 11 cases, as well as the maintenance,
13 processing, and docketing of proofs of claim.

14 We've shared drafts of the application and order
15 with the United States Trustee and other stakeholders, and
16 have incorporated comments that we've received from those
17 parties.

18 Unless Your Honor has any additional questions, we
19 respectfully request that the Court enter the proposed order
20 granting the retention application.

21 THE COURT: Okay, is there anyone who wishes to be
22 heard regarding the Omni retention application?

23 (No verbal response)

24 THE COURT: Okay, I hear no response.

25 Based upon the evidence before me, I do find that

1 the relief requested is warranted, and I will be happy to
2 enter the order approving Omni's retention.

3 MS. ROSEN: Thank you, Your Honor.

4 THE COURT: Thank you.

5 MS. ROSEN: That concludes the items on the
6 agenda. I'll now turn the podium back over to Mr. Leblanc.

7 THE COURT: Thank you very much.

8 MR. LEBLANC: Good afternoon, Your Honor, Andrew
9 Leblanc of Milbank again on behalf of Ligado. Your Honor,
10 that concludes our agenda. We appreciate very much Your
11 Honor taking the time this afternoon.

12 Let me again extend our thanks to Mr. Hackman on
13 behalf of the Office of the United States in making this go
14 so smoothly for us and our team, it's really been a pleasure
15 working with them, and with all of the stakeholders who have
16 got us to this point to have this first day be fully
17 consensual.

18 As a preview of coming attractions, Your Honor, I
19 mentioned -- I think I may have said that we filed the
20 breakup fee motion today, we actually filed it yesterday,
21 Your Honor, that has been calendared by the Court for
22 January 27th at 1:00 p.m. And then we have final hearings
23 with respect to our first day relief scheduled on
24 February 5th at 1:00 p.m. also.

25 So with that, Your Honor, we -- that's all we had

1 today. Again, on behalf of the company and our team here at
2 Milbank, we very much appreciate the Court's accommodation of
3 us today and, unless Your Honor has any questions, that's all
4 we have.

5 THE COURT: Thank you, I don't have any questions.
6 Mr. Leblanc, I do want to thank you for including so many of
7 your colleagues in the presentations today. I really value
8 having the opportunity to hear from the younger people at the
9 firms, especially since they probably put in a lot of the
10 hours preparing those motions. So I'm really happy to --

11 MR. LEBLANC: They certainly did, Your Honor. And
12 I'm sure, based on their presentations, you understand why we
13 felt totally comfortable doing that.

14 THE COURT: I do see that and I appreciate it very
15 much, Mr. Leblanc. Okay.

16 MR. LEBLANC: Thank you.

17 THE COURT: Well, thank you all very much and have
18 a good afternoon.

19 (Proceedings concluded at 3:22 p.m.) CERTIFICATION

20 We certify that the foregoing is a correct
21 transcript from the electronic sound recording of the
22 proceedings in the above-entitled matter to the best of our
23 knowledge and ability.

24

25 /s/ William J. Garling

January 8, 2025

1 William J. Garling, CET-543
2 Certified Court Transcriptionist
3 For Reliable
4

5 /s/ Tracey J. Williams January 8, 2025

6 Tracey J. Williams, CET-914
7 Certified Court Transcriptionist
8 For Reliable
9

10 /s/ Mary Zajackowski January 8, 2025

11 Mary Zajackowski, CET-531
12 Certified Court Transcriptionist
13 For Reliable
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